

**CAPITAL PROGRAMME MONITORING
2008/09 BUDGET
(Report by the Head of Financial Services)**

1. PURPOSE

1.1 This report highlights the variations from the 2008/09 Capital Programme approved in February 2008 including any member or officer decisions already taken in accordance with the Code of Financial Management.

2 MONITORING INFORMATION

2.1 The Budget approved in February 2008 and subsequent adjustments are shown below:-

Capital Programme	2008/09 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Approved Budget (February 2008)	16,955	1,483	15,472
Deferrals from 2007/08	4,649	3,580	1,069
	21,604	5,063	16,541
New MTP Bids (para 2.2)	1,425	1,295	130
Cost Variations (Annex A)	-152	-128	-24
Timing Changes to 2009/10 (Annex B)	-2,694	-1,027	-1,667
Capital / Revenue Variations			
VOIP Data Switches (reported last time)	90	0	90
Recycling Bins (reported last time)	83	0	83
Commutation (reported last time)	43	0	43
Community Facilities Grant (reported last time)	-46	0	-46
Revenue Staff recharged to Capital	197	0	197
Current Forecast	20,550	5,203	15,347

2.2 This year's MTP process has identified the following new proposals that would impact on the current year but would not be formally approved until the end of the process in February 2009.

MTP BIDS	2008/09		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
St Ivo L C – Football Improvements	250	500	-250
Huntingdon West Development (HGF)	700	700	0
St Neots Green Corridor (HGF)	95	95	0
Sustainable Homes Retrofit (cost of purchase)	380	0	380
TOTAL FORECAST VARIATION	1,425	1,295	130

- 2.3 Annex B provides details of the timing changes currently identified. The original budget also included provision for a net deferral to later years of £700k. This has not been removed as past experience has shown that further deferrals emerge in the latter part of the year.

3. REVENUE IMPLICATIONS

- 3.1 The impact of the variations to the original budget approved in February 2008 is to reduce the net revenue expenditure by £424k in 2008/09 with further adjustments in future years, as shown below.

Revenue Impact	2008/ 2009 £000	2009/ 2010 £000	2010/ 2011 £000	2011/ 2012 £000	2012/ 2013 £000
Timing Changes 2007/08 to 2008/09	-27				
New MTP Bids	4	31	40	11	-3
Cost Variations	-1	-1	-1	-1	-1
Timing Changes 2008/09 to 2009/10	-42	-42			
Revenue/Capital Transfers	-358	18	18	18	18
TOTAL FORECAST VARIATION	-424	6	57	28	14

Note - Revenue impact is based on 5% loss of interest for this table

4. CAPITAL RESERVES

- 4.1 Just £1.3m of Capital Reserves are forecast to remain in April 2009 and these will be fully used in the following few months. Subsequent capital expenditure will therefore need to be funded from borrowing. The higher resulting cost of interest plus a depreciation charge to repay borrowing is included in the Budget/MTP report elsewhere on this agenda.

5. RECOMMENDATIONS

- 5.1 It is **RECOMMENDED** that Cabinet note the variations within this report.

BACKGROUND PAPERS

Capital programme and monitoring working papers.
Previous Cabinet reports on capital expenditure.

Contact Officer – Steve Couper ☎ 01480 388103

ANNEX A

Expected Cost Variations	2008/09 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
Electronic Document Imaging in Planning	-20	0	-20
Small Scale Environmental Improvements District Wide	-10	-10	0
Disabled Facilities Grants - Extra	264	113	151
Repairs Assistance Grants - Saving	-50	0	-50
Social Housing Grant	1,034	1,034	0
Decent Homes Insulation Grant - Adjustment	-78	-78	0
Headquarters Improvements - Adjustment	-345	-345	0
St Ivo L C – Football Improvements - Adjustment	-902	-902	0
Huntingdon L C – Energy Saving	15	0	15
St Neots – Bar/Kitchen/Creche Extension	-10	0	-10
Creative Enterprise Centre, St Neots – Extra cost partly off-set by extra Grant	119	60	59
Health Centre Sapley Square	15	0	15
VAT Partial Exemption	-184	0	-184
	-152	-128	-24

ANNEX B

Timing Changes to 2009/10	2008/09 Capital Expenditure		
	Gross Budget	External Contributions	Net Budget
	£000	£000	£000
New Public Conveniences	-213	0	-213
Stray Dogs Kennels	-15	0	-15
Mobile Home Park	0	-168	168
Social Housing Grant	-1,271	0	-1,271
Decent Homes Insulation Grants	-266	-266	0
Ramsey Community Information Centre - Refurbishment	-11	0	-11
Leisure Centres Future Maintenance	-1,214	-143	-1,071
Leisure Centre – CCTV Improvements	-15	0	-15
St Ivo L C – Football Improvements	44	0	44
Sawtry L C - Impressions	-12	0	-12
St Neots L C – Development	-11	0	-11
Huntingdon LC - Development	285	0	285
Huntingdon Riverside Improvements	-142	0	-142
Headquarters Improvements	2,293	0	2,293
Printing Equipment	-308	0	-308
Corporate EDM	-129	0	-129
Voice and Data Infrastructure	62	0	62
Building Control Public Access System	-30	0	-30
ICT for New Accommodation	144	0	144
Business Systems	-94	0	-94
Customer First/Working Smarter	-147	0	-147
Ramsey Rural Renewal	-51	0	-51
New Industrial Units	-490	0	-490
Industrial Estates Repairs	-30	0	-30
Huntingdon Marina Improvements	-54	0	-54
Huntingdon Town Centre Developments	7	0	7
Heart Of Oxmoor	0	-300	300
Huntingdon Bus Station	-444	-150	-294
St Neots Pedestrian Bridges	-535	0	-535
Ramsey Transport Strategy	-44	0	-44
Other Minor Adjustments	-3	0	-3
Forecast Adjustment to Programme for Deferrals	-2,694	-1,027	-1,667